

*Federal-Provincial Fiscal Arrangements*

indication of where the federal Government is going. We must have some commitment by the federal Government to sit down in honest negotiations with the provinces to ensure that we have the legislation that will actually meet the needs of the provinces receiving equalization payments.

I realize there is at least one other Member of the House who seems to have an urgent desire to speak on this issue, and I will let that person speak in a few minutes, especially since he is my House Leader. In the meantime, let me say that what I would really like is this House, through one of its standing committees, to do what we did in 1981; to look at the whole issue of federal-provincial fiscal arrangements to see how it could be better done, and how to bring the provinces into the process. That would be better than having the kind of meetings we have at present, where the federal Minister of Finance (Mr. Wilson) looks at his Budget, his deficit, and tries to negotiate downward the federal Government's commitment in these very important areas. That was the promise we had from the former Minister of State for Finance, the present Minister of State for Privatization (Mrs. McDougall). She said we would have that process before now, but it did not happen.

I say that before we bring forward new legislation on EPF and equalization payments, those matters must be dealt with. We must get away from this process where the Premier of Newfoundland is screaming at the Minister of Finance, along with the Premiers of other provinces. That is not the way to develop a constructive system of federalism. This just has to stop, and we have to work toward a process which will improve co-operative federalism.

**Mr. Nelson A. Riis (Kamloops—Shuswap):** Mr. Speaker, I want to say a few words regarding Bill C-44. The concern that has been registered by my colleagues about education and health care is shared by all Members of this House. We recognize that, for whatever reason, the federal Government recently cut back on the usual increase in Established Programs Financing for health care and post-secondary education.

Just to make it very clear, while the Government increased EPF to assist post-secondary education and the health care funding, there was not the usual increase. Consequently, had the federal Government not intervened, more dollars would have gone to the provinces for health care and post-secondary education.

I know you will recall that the Canadian Medical Association intervened at the time and very strongly suggested that what this will mean is that there will be two levels of health care; a lower level in the poorer parts of Canada and a higher level in the richer parts. Those provinces such as Ontario which have a strong buoyant economies as a result of so many government initiatives, both provincially and federally, will likely have more revenues to fund a better level of health care and post-secondary education than you will find in the Atlantic or western provinces.

What we are dealing with today is an effort by the federal Government, which has been undertaken now for many, many

years, to equalize opportunities in Canada. If you are a young man or woman in Atlantic Canada or western Canada, you should have the same opportunity to go to school or receive various types of support and assistance from the federal Government. We all agree that is a good move. That is what Canada is all about. Where revenue is generated in the have provinces, where for a variety of reasons things often go better, they would share those revenues with those less fortunate areas of Canada where things are not going as well.

Equalization provides grants to provinces for education if they so desire. This is not post-secondary education but general public school education, primary school, junior secondary and secondary schools. I am sure everyone in the House applauds that. We would like to see more money made available to ensure that youngsters in the have-not provinces have opportunity equal to those in the have provinces.

I have been looking at some of the material provided to us regarding primary and secondary education expenditures per province. When you look at school board expenditures as a percentage of the Gross Domestic Product, an interesting anomaly appears. For example, in Newfoundland that percentage is 7.2 per cent, one of the highest; in Prince Edward Island it is 6.2 per cent; in Nova Scotia it is 6.1 per cent; in New Brunswick it is 6.3 per cent; in Quebec it is 5.3 per cent; in Ontario it is 4.3 per cent; in Manitoba it is 4.8 per cent; and in Saskatchewan it is 4.6 per cent.

When you look at the list the one province that stands out as having the lowest percentage of GDP for education is the Province of British Columbia. By national standards B.C. is a have province. Quite frankly it should be in a position to put significant amounts of money into education for its young boys and girls.

When you look across Canada to see which province has virtually the worst record when it comes to providing funding for education at all levels, the one province that stands out above all the others with a most miserable performance is, I am ashamed to say, the province from which I come, the Province of British Columbia. I hope that one day we take the necessary steps in that province to put the Government in a position to provide the necessary education to ensure that young people from British Columbia receive opportunities equal to those of the rest of Canada.

**The Acting Speaker (Mr. Paproski):** Is the House ready for the question?

**Some Hon. Members:** Question.

**The Acting Speaker (Mr. Paproski):** Is it the pleasure of the House to adopt the motion?

**Some Hon. Members:** Agreed.

**Some Hon. Members:** On division.

Motion agreed to, Bill read the third time and passed.